

**Virginia State Corporation Commission
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Case Name (if known) REQUEST FOR AUTHORITY TO CREATE
REGULATORY ASSET

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behalf of the Virginia Utilities

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Via Electronic Filing

Mr. Joel H. Peck, Clerk
c/o Document Control Center
State Corporation Commission
1300 East Main Street
Richmond, Va. 23219

PUR-2020-00074

Re: Request for Authority to Create Regulatory Asset

Dear Mr. Peck:

Washington Gas Light Company makes this filing on behalf of Columbia Gas of Virginia, Roanoke Gas Company, Virginia Natural Gas Company, Atmos Energy Corporation, Appalachian Natural Gas Distribution Company, Southwestern Virginia Gas Company, Aqua Virginia and Virginia-American Water Company (the "Virginia Utilities"). Each respectfully request the State Corporation Commission's ("Commission") approval to create a Regulatory Asset to record incremental prudently incurred costs and suspended late payment fees attributable to the COVID-19 pandemic. In its recent orders addressing circumstances arising out of this emergency situation, the Commission has taken judicial notice of the COVID-19 pandemic and Governor Ralph Northam's Executive Orders.¹

In response to the pandemic, the Virginia Utilities have suspended service disconnections and the imposition of late payment fees. Additionally, the Virginia Utilities, among other things, are working with customers on a case-by-case basis to establish payment arrangements and identify energy assistance options. While the Virginia Utilities are committed to working with customers by offering payment plans and other options to bring their accounts current and keep service on, after the end of the state of emergency there will undoubtedly be customers who cannot manage the burden of paying off prior balances as well as their current bills for service. Although the impacts cannot be precisely estimated at this time, the Virginia Utilities fully expect that their uncollectible expense will increase well above recent levels.

¹ See *Commonwealth of Virginia, ex rel. State Corporation Commission, Ex Parte: Temporary suspension of tariff requirements*, Case No. PUR-2020-00048, Order Suspending Disconnection of Service and Suspending Tariff Provisions Regarding Utility Disconnections of Service (Mar. 16, 2020) and Order Extending Suspension of Service Disconnections (Apr. 9, 2020); and *Petition of the Office of the Attorney General, Division of Consumer Counsel, For emergency Order to Suspend Utility Disconnections during State of Emergency*, Case No. PUR-2020-00049, Order Extending Suspension of Service Disconnections (Apr. 9, 2020).

In light of the extraordinary circumstances facing Virginia utility customers, the Virginia Utilities respectfully request that they each be allowed to create a regulatory asset in which to record: 1) the incremental uncollectible expense incurred, 2) late payment fees suspended 3) reconnection costs incurred with the billing suspended, 4) carrying costs, and 5) other incremental prudently incurred costs associated with the COVID-19 pandemic.

Again, the Virginia Utilities are committed to working with their customers during the current state of emergency to keep the gas flowing and service available, but the current circumstances will lead to an unanticipated increase in uncollectible expense and related costs and a decrease in the late payment and reconnection fees, and other potential incremental prudently incurred costs in the future.

The creation of a regulatory asset will facilitate the recovery of prudently incurred costs associated with the Virginia Utilities' efforts to accommodate customers during this time of uncertainty and distress.

Respectfully submitted,



On Behalf of the Virginia Utilities by:

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for Washington Gas Light Company
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